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## BELIEVE *in* PEOPLE



BOTTOM-UP SOLUTIONS *for*  
*a* TOP-DOWN WORLD

**CHARLES KOCH**

NEW YORK TIMES BESTSELLING AUTHOR

*with* **BRIAN HOOKS**

I have a new book coming out Nov. 17: “Believe in People: Bottom-Up Solutions for a Top-Down World.” Written with Brian Hooks, CEO of Stand Together, this book describes a central aspect of my life’s work — to help bring about a society in which everyone has the opportunity to realize their potential and succeed.

When I started writing this book about five years ago, I had no idea it would be coming out during a deadly pandemic, massive record increases in governmental controls and spending, and the most divisive political atmosphere with the greatest civil unrest in my lifetime. Yet the book is perfectly timed for this troubling moment. Because it explores how every person can help tackle society’s biggest problems, whatever they may be.

The book’s title, “Believe in People,” is really a summation of my lifelong philosophy. The central point is that every person has a unique gift. Each of us can use our gift to improve our lives by helping others improve theirs. The more we do so, the more everyone will benefit. I have spent the last 60 years in business and philanthropy striving to empower people to become the best version of themselves and contribute to the best possible society.

Like my previous books, “Believe in People” draws on the principles of scientific and social progress that have benefited people throughout history. Those principles have transformed my life, allowing me to accomplish more than I ever dreamed possible. They have also transformed Koch Industries, enabling our employees to apply their own gifts to create value for others.

Unlike my previous books, which described how these principles applied to business, “Believe in People” applies them to every facet of society, including communities, education and government. And while I have previously written for an audience of business entrepreneurs, Brian and I wrote this book for Social Entrepreneurs.

What is a Social Entrepreneur? It is someone from any background who is devoted to helping others realize their potential. There is a Social Entrepreneur in each of us, in anyone who finds fulfillment in applying their gifts to make the world a better place.



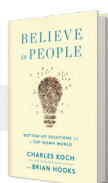
Charles Koch, chairman and CEO - Koch Industries  
Brian Hooks, chairman and CEO - Stand Together

While anyone can be a Social Entrepreneur, not everyone knows where to start. Additionally, many well-intentioned people fail to succeed at overcoming the problems they care most about. (I have had this problem myself, as “Believe in People” describes.) My hope is that this book will help the millions of people who want to make a real difference.

The future of our country depends on whether we have a deep belief in people. To some that may seem like an obvious statement, but as the saying goes, actions speak louder than words. Huge swaths of our society are built on a deep disbelief in people.

As Brian and I explained in the book, there are plenty of “business projects, public policies, and philanthropic grand plans done to people rather than collaborative efforts that enable individuals to discover and apply themselves.” As a result, far from being empowered, countless people are being controlled and stifled. Because they feel no one believes in them, many no longer believe in themselves. Instead of being contribution motivated — that is, driven by the desire to succeed by helping others — many have become negatively motivated. This leads to all kinds of destructive attitudes and behavior.

 [BelieveInPeopleBook.com](http://BelieveInPeopleBook.com)



**“ Our goal is to knock down barriers so everyone can realize their unique potential and contribute to the lives of others. ”**

The result is a crisis on two levels. First and foremost, for the people who are being held back or pushed down. Second, for all of society, which is missing the important contributions that each person can make. In my experience, those who are overlooked or undervalued often have the most to contribute.

So what would it mean to truly believe in people? First, it means recognizing that everyone has a unique gift — all people, without exception.

To me, there’s no better example than Sterling Varner, one of the greatest success stories in the company’s history. He was born in a tent where his dad worked as an oilfield contractor. He stuttered, was beset with serious health problems and lacked a formal education. While most people wrote him off, he had great people skills and a keen entrepreneurial sense, which I discovered in the 1960s. He used them to bring out the best in others and help make us leaders in many businesses. His contribution led him to become president of Koch Industries.

In Sterling’s story, we are reminded that we never know what someone is capable of doing. When we believe in them, and when we empower them to give it a go, they get the chance to show us. In my experience, there’s no such thing as an ordinary person; all people are capable of extraordinary things.

Second, believing in people means looking for answers in the most unexpected and seemingly unlikely places.

One of the great truths of history is that the people who are closest to a problem are usually the best suited to solve it. By contrast, those who are farthest from a problem often make it worse, or create other issues when they try to solve it — they lack the right knowledge and understanding. This is the difference between bottom-up and top-down thinking, and as the book demonstrates, bottom-up is the only way to create real social progress.



Sterling Varner (left, and bottom left) was one of the greatest success stories in the company’s history.

**“Believe in People” is a guide for people who are looking for a better way.**

The bottom-up paradigm is engrained in Koch Industries. Since the 1960s, one of my goals has been to create a corporate culture that encourages and empowers every employee to take the initiative in contributing, rather than waiting for the boss to tell them what to do. Not only does this enable employees to find fulfillment, it fully uses their knowledge, enabling the company to create more value for itself and others. Now imagine if society took the same approach on poverty or addiction or a subpar education system, to say nothing of the coronavirus or racial injustice.

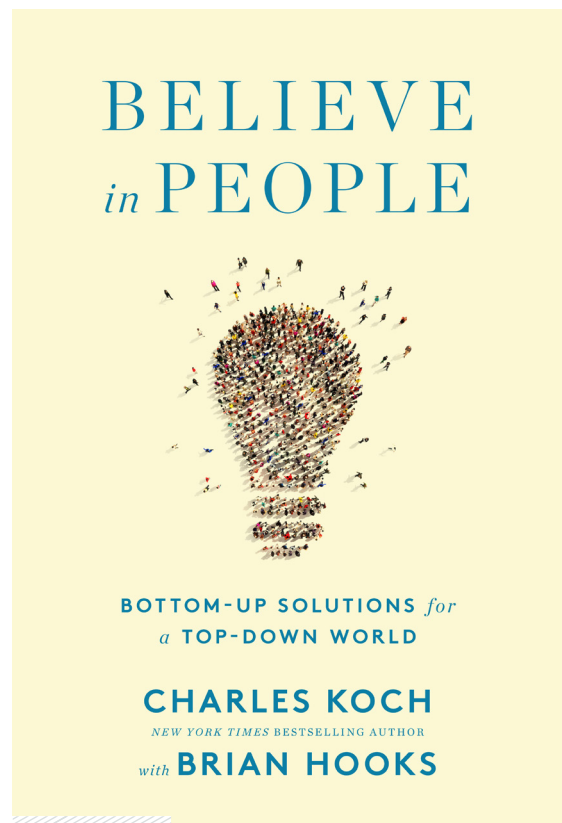
Third and finally, believing in people means being willing to unite with anybody to do right.

That phrase, which comes from one of my heroes, Frederick Douglass, is one of the most ignored truths of our time. It’s also one of the most important truths of all time. If each person has a unique gift, then using our gifts in combination with each other will enable us to do more, do it better and do it faster. This is the story of human progress. It’s key to overcoming the many challenges we face today.

I have already told the story of federal criminal justice reform in a previous issue of *Discovery*. It remains one of the greatest recent proof points of how people who disagree on many things can still come together to make incredible headway on one thing where they agree. As Brian and I point out, no matter what issue we face, “we can achieve more together than we ever could apart — even and especially when we unite with those who think differently and bring different capabilities to the task at hand.”

These principles represent nothing less than a paradigm shift for many people. For me, they are a marker against which I continually measure my actions, in every aspect of my life. If our society is willing to embrace them, and I believe it is, the benefits will be widely and quickly felt.

In the pages that follow, you will encounter several examples of what it looks like to believe in people. These are drawn from our work at Koch and through Stand Together. You’ll



Available beginning Nov. 17.

find examples for each of society’s core institutions — communities, education, business and government.

These examples offer a small taste of what you’ll find in the book. It’s full of stories, many from my life and many more from people I’ve met and supported over the years — from former drug addicts and gang leaders to inner-city principals and insightful entrepreneurs. They prove what’s possible when people are empowered to discover, develop and apply their gifts to helping others — that is, to self-actualize.

Despite these difficult times, I remain optimistic about the kind of society we can build, one where every person has the opportunity to contribute and thrive. You have a crucial role to play in realizing that vision. May this issue of *Discovery* — and my new book, “Believe in People” — speed you on the journey to transform your life and society itself.





## THE CORE INSTITUTIONS OF SOCIETY

### COMMUNITIES

**A community “is supposed to be where people come together to solve common problems, support each other during difficult times, and discover and develop their gifts and aptitudes in a friendly and loving environment.”**

At a time when so many people report feeling alienated, lonely and left behind, Charles and Brian lay out a path for Social Entrepreneurs to transform communities by empowering people to help those around them. As they explain, far from looking at people as problems to be solved, people who have struggled should be seen as the path to the solution. They have the knowledge and experience needed to make the biggest difference.

#### **#GiveTogetherNow**

The early days of the COVID pandemic saw widespread upheaval. In a matter of weeks, millions of people lost their jobs. For those already struggling to make ends meet, the pandemic made a bad situation worse, with the threat of new or deeper poverty looming large for a huge number of families.

It was clear from the start that something needed to be done. But who was best suited to do it? The team at the Family Independence Initiative is a powerful example of one group of Social Entrepreneurs who rose to the occasion.

FII is a truly unique group. Founded by Mauricio Miller, a man who grew up in grinding poverty, it has spent nearly 20 years pursuing a new — and more effective — way to help people rise out of poverty. Its success stems from the fact that it is operated by people close to the problem they’re trying to solve. It shows that the solution to poverty comes from those who have overcome it.

The pandemic caused FII to ask how it could make an even bigger difference. Its leaders approached Stand Together — the philanthropic community founded by Charles Koch — and together they quickly developed a new project called #GiveTogetherNow.

#GiveTogetherNow leverages FII’s unique technology platform to provide quick cash assistance to those hurt most by the pandemic. Signing up only takes a couple minutes and receiving the money only takes a couple days.

Although the initial goal was to help 20,000 families, #GiveTogetherNow has already helped 10 times that many. Individuals and organizations have given more than \$100 million, far exceeding expectations.

Each dollar has gone to a family facing urgent needs. One dad was able to purchase Wi-Fi so his children could do their schoolwork. A single mother of five used it to pay the rent so she could keep her family sheltered and safe. A COVID survivor who lost both of her parents was able to help pay their funeral expenses as well as bills that were piling up while she was unemployed.

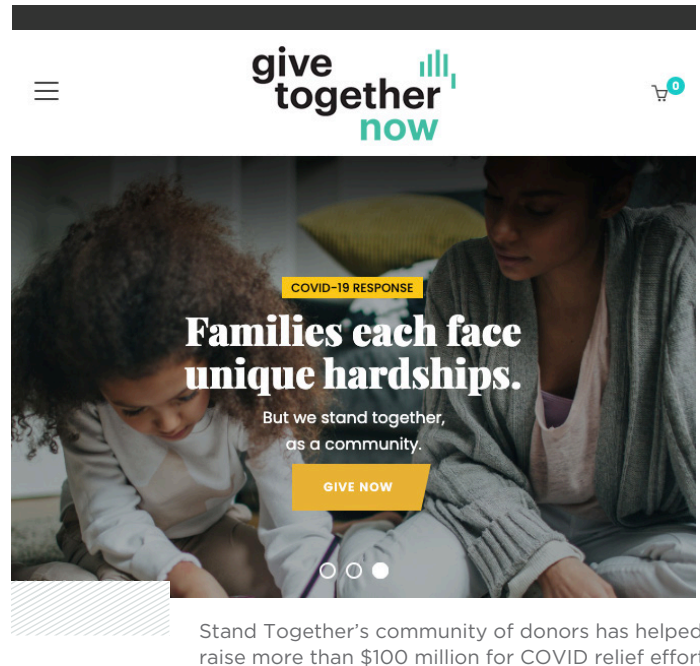
The nature of the pandemic means that #GiveTogetherNow can't help everyone or address every issue that has arisen in recent months. But for those who were on the right path and were hit hardest by the crisis, it gave them the ability to take a breath and consider what to do next.

It shows what's possible when we look for answers from the bottom up and work with those who have direct experience with major challenges like poverty.

### HELP THE HELPERS

FII is one of nearly 200 community-based groups Stand Together Foundation supports. Each one has proven effective at helping people rise out of poverty and transform their lives. When the COVID crisis hit, the Stand Together Foundation launched a \$2.5 million effort to help these groups meet the multiplying needs in society.

Entitled "Help The Helpers," after a saying from "Mister Rogers' Neighborhood," the new effort established a giving match for every dollar the groups raised. The team knew that supporting groups with a proven track record of



The screenshot shows the Give Together Now website. At the top, there is a navigation menu with a hamburger icon on the left and a shopping cart icon with a '0' on the right. The logo 'give together now' is prominently displayed in the center. Below the logo is a large banner image of a woman and a child. Overlaid on the image is the text: 'COVID-19 RESPONSE', 'Families each face unique hardships.', 'But we stand together, as a community.', and a 'GIVE NOW' button. Below the banner, a text box states: 'Stand Together's community of donors has helped raise more than \$100 million for COVID relief efforts.'

helping their own communities was the surest way to move fast and be assured of good results.

As with #GiveTogetherNow, Help The Helpers far exceeded expectations. The first 24 hours saw \$1 million raised. By the third day, the entire \$2.5 million in matching funds had been raised. All told, the effort raised more than \$6 million, all of which has helped people across the country overcome poverty.

Those much-needed funds helped pay for food-on-the-go meals for children who rely on school lunches, virtual counseling sessions for those struggling with substance abuse, the distribution of phones and hot spots so young people can stream classes, and financial literacy classes to help hurting families make every dollar count.

## EDUCATION

**“Education is the primary way people identify their gifts, their passions, and their path to fulfillment.”**

With the education system failing so many students in both K-12 and higher education, there is an urgent need to transform education to reflect a belief in each student's unique gifts — and help them identify and unlock it.

“Believe in People” lays out a North Star for education: “Given each person's unique talents, education should be among the most customized parts of life. It can be, but that won't happen by focusing on secondary concerns. The type

of school, the school buildings, the lesson plans, the teacher credentials — none of it matters as much as each student's ability to learn in an individualized way.”

### VELA EDUCATION FUND

When the pandemic began disrupting classrooms nationwide in the spring, most school systems were caught unprepared

for any kind of effective remote learning. That struggle continued through the summer months and into the current school year, prompting a majority of American parents with K-12 students to consider at-home learning options instead.

Thanks to the VELA Education Fund, those parents now have access to new ideas from educators and innovators who are devoted to reimagining and improving access to learning. The fund's vision is to create and support innovative, untraditional, student-centric learning opportunities.

The VELA Education Fund was launched with a \$1 million "Meet the Moment" grant from the Charles Koch Institute (part of the Stand Together philanthropic community) and the Walton Family Foundation. The two organizations also have a larger campaign to seed 500 potentially transformative educational initiatives.

Meredith Olson, a VELA board member and vice president of Stand Together, says the organization's goal is "to empower local, individualized and innovative solutions that help every student rise and continue learning during this unprecedented moment in history." VELA's focus, she explains, is on efforts that will yield something new or transform existing models. These innovations must also provide "responsible and authentic learning experiences for young students."



Photo credit: Prenda Schools



The VELA Education Fund was launched with a \$1 million "Meet the Moment" grant from the Charles Koch Institute and Walton Family Foundation.

What might those experiences look like? The possibilities include learning pods, low-cost micro-schools, homeschool cooperatives and customized online learning, to name a few. As far as VELA is concerned, the bolder the ideas, the better.

As Charles and Brian say in "Believe in People": "We can't possibly know what developments will arise or predict what methods and models will work best. But that's precisely the point. Every person is unique, and every person deserves a unique education that challenges them to be the best version of themselves."

### National Summer School Initiative

One of the big problems that Charles and Brian identify is the spread of "standardization" in the education system. As they put it, "standardization might make sense for manufacturing car parts or computers, but it does not work well for developing human beings," given each person's unique gifts.

One new effort to move beyond standardization is the National Summer School Initiative, which was launched this past summer as a response to COVID. After 55 million American schoolchildren were sent home in the spring, Stand Together invested \$1 million in a partnership with the NSSI to quickly launch an online learning platform.

NSSI has already connected more than 10,000 at-home students in grades three through eight with some of the very best educators from around the country. Those students



received five weeks of content-rich learning delivered via large- and small-group instruction with individualized assistance from local partner teachers. The curriculum is eye-opening, including three-dimensional learning through critical-thinking classes complemented by the chance for students to try out science, dance, yoga and self-directed study.

If this sounds untraditional, that's because it is. Typical summer school classes often fail to produce lasting effects on educational outcomes. NSSI students, on the other hand, have already shown an improved ability to stay on pace with their education — despite having to learn in a non-classroom environment.

And as schools decide to stay remote this fall, NSSI is adapting to a full-year curriculum.

As the debate about education continues, both during and after the pandemic, innovative programs such as the NSSI provide an appealing alternative. More initiatives that provide better, more tailored educational options are needed — ones that benefit students of all backgrounds, empower teachers to become the best educators they can be and give parents relief from the heavy education-related burdens they face because of COVID.

## BUSINESS

**“At their best, companies create the innovations that improve lives, delivering better products at lower prices for more people.” Moreover, “The best companies empower employees, helping them see that the more they serve customers, the more fulfillment and reward they’ll receive.”**



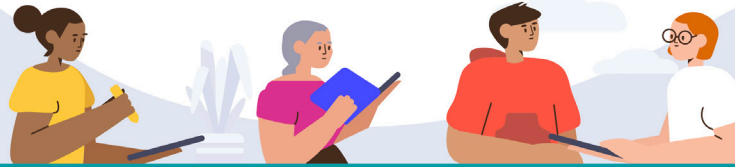
Unfortunately, many businesses pursue corporate welfare — ill-gotten profit — instead of making a contribution to society or empowering their employees. Charles Koch has spent a large portion of his life striving to build a better business culture, one that acts on the belief that every employee has a unique gift that can be used to create value for society.

### SkillUp

Many American employees have had a tough time this year. According to the U.S. Labor Department, nearly 18 million are out of work and another nine million who would like to work full time are having to settle for part time. The pandemic has hit low-income workers the hardest. More than 80% of their jobs are now considered “vulnerable.”

For many of these men and women, low-cost education and training opportunities would put them in a much stronger position for finding meaningful work — especially if they





## SKILLUP

## SkillUp helps COVID-impacted workers get rehired for in-demand jobs

Has the coronavirus impacted your job? Use our free tool to learn about promising career paths that are a good fit for you, access training, and connect with employers hiring near you.

receive “upskilling,” a concept where additional training and education are based on a person’s aptitudes.

In July, the Charles Koch Foundation, part of the Stand Together community, announced it would become a founding member of the SkillUp Coalition — a nonprofit organization created specifically to help workers who lost jobs or wages due to COVID.

The SkillUp Coalition is a partnership between leading education providers, employers, technology developers and nonprofits focused on job readiness. Its goal is to connect millions of Americans with new skills that will help them secure in-demand jobs with promising career paths. It does that by connecting users with the information, resources and training opportunities that fit their specific needs.

SkillUp focuses on supporting displaced workers earning less than \$40,000 a year. In the U.S., women, people of color and those who never earned a college degree are disproportionately represented in that group. These are also the people who have been hit hardest by the pandemic.

The process starts with a web app that aligns career navigation tools with rapidly changing labor market needs. First, SkillUp analyzes a worker’s previous jobs, how that employee liked to work and what industries are growing in that region. Then it helps find free or low-cost training programs that match a person’s career goals.

The process doesn’t end when someone is hired. SkillUp also helps workers continue their educations and learn even more new skills. This is where the SkillUp approach is truly different. It doesn’t just help workers find jobs, it helps them understand what kinds of jobs are most likely to bring personal fulfillment — the key to self-actualization.

### Center for Advancing Opportunity

In 2017, Koch Industries, the Charles Koch Foundation, and the Thurgood Marshall College Fund joined together to create the Center for Advancing Opportunity. This summer, the center worked with the Gallup polling company to release its latest report on “The State of Opportunity in America,” a groundbreaking analysis of some of the biggest problems facing fragile communities.

One of the center’s three main pillars, reflected in the report, is “identifying barriers to entrepreneurship and job growth.” The report found that the most common problem facing members of fragile communities is “a lack of enough jobs that offer career advancement.” In many areas, respondents indicated that available jobs were located in distant areas, pushing gainful employment further out of reach.

The report also found that, pre-COVID, fragile communities suffered from a nearly 17% unemployment rate compared to a 3.5% rate nationally. While Black and Hispanic residents were more likely than others to have plans to start a business, the report also indicated that they lacked the resources needed to fulfill their entrepreneurial dreams. These obstacles have undoubtedly worsened during the pandemic.

The Center for Advancing Opportunity and the Stand Together community are taking these findings to policymakers at every level of government. They are also making the report available to business leaders across the country, in order to spur the attention needed to help more people rise. Such attention and action are crucial to fulfilling the goal that is laid out in “Believe in People”: “Build[ing] an economy where each person has a fair shot.”



## GOVERNMENT

**“Government, at its best, fosters the rules of just conduct that enable individual success and well-being. To realize this vision, government... gives the other institutions the space they need to fulfill their roles while fostering a system of mutual benefit.”**



Sadly, government today often fails to fulfill its vital role because it has fallen prey to tribalism, most often expressed as divisive partisanship. One of the problems with partisanship is the lack of belief in those who prefer the other side of the political aisle. Building a society based on a belief in people requires replacing partisanship with partnership, so that people work together to end injustice and empower everyone.

### **Making Real the Right to Counsel**

Transforming government won't happen on its own. The process starts when people come together outside of government, putting aside their differences to make progress on the issues where they agree.

Koch Industries and Stand Together are doing just that when it comes to criminal justice reform in Kansas and beyond. One of the problems they're addressing is the lack of equal access to legal counsel.

It's an uncomfortable truth in our country that it's often better to be guilty and rich than innocent and poor if you get caught up in the criminal justice system. A rich kid busted for a non-violent offense might get probation or just a warning while an unemployed father guilty of the same offense is sentenced to jail — sometimes for a long, long time.

In a system where everyone is guaranteed a fair trial, 99% of cases end in plea bargains, which are often ill-advised for those who can't afford a lawyer. Put another way, they cannot avail themselves of their right to a fair trial.

Ensuring everyone has effective legal counsel is critical to correcting this inequity. Oddly enough, the policies of state and local governments sometimes make this very hard to accomplish.

In Kansas, for example, state Rule 712 prohibited in-house attorneys with restricted Kansas bar licenses from providing pro bono legal counsel. This meant hundreds of attorneys who worked for Kansas organizations and were members of the Kansas bar couldn't provide advice or legal services to anyone except their employer.

“This state Rule was destructive,” says KII's general counsel, Ray Geoffroy, “because it didn't allow us to help people improve their lives. Instead, we should be bringing organizations together, pooling our legal resources and other comparative advantages, and then creating a sort of clearinghouse for doing good.”

In 2018, Koch joined with Kansas Legal Services and several other organizations to petition the Kansas Board of Law Examiners to amend state Rule 712. (In 2017, Kansas Legal Services provided help for more than 9,000 needy clients but had to turn down more than 10,000 similar requests.)

That effort was successful, allowing in-house counsels with restricted licenses to also provide pro bono legal services to those in need. So far, Koch has partnered with Kansas Legal Services to expunge 89 cases for 44 individuals.

In Atlanta, more than 20 volunteers are working with several partners to better lives throughout that community. For example, Michael Davis, a longtime GP attorney, helped a client of the Georgia Justice Project obtain a pardon for a past crime. The client, Gwen Boyd-Willis, now has access to greater job opportunities and fulfillment.

Koch now has approximately 100 legal volunteers in the U.S. and U.K. who are providing a wide range of pro bono legal support, including the handling of case screenings for the Midwest Innocence Project, which can take as many as 100 hours of work and up to a year to complete. Those attorneys are preventing lives from being ruined by addressing serious problems embedded in the criminal justice system.

Equally exciting is the way law firms outside of Koch are responding to this challenge. In July, the national law firm of Barnes & Thornburg followed Koch's example by announcing it would partner with Koch and donate 10,000 hours of pro bono legal help during the next three years. KII general counsel Ray Geoffroy called that commitment "both encouraging and inspirational."

**“We must replace partisanship with partnership.”**

## A Clean Slate

What else are we doing to help ensure “justice for all”?

In Wichita, Koch Companies Public Sector is helping Kansas Legal Services with its Juvenile Clean Slate Project. The goal is to help those with juvenile arrests or convictions get them expunged from their records. (All states allow some juvenile delinquency records to be cleared, but the process varies from state to state depending on the information involved.)

Koch is also reaching out to organizations supported by Stand Together, such as Youth Entrepreneurs, Rise Up for Youth and other transformative community-based groups, to find others who would benefit from this effort.

Such initiatives bring together people from all walks of life to move the country forward, one step at a time. In “Believe in People,” Charles and Brian tell the story of Van Jones, who once led protests against what is now Stand Together, but in recent years has been partnering with Stand Together.

In a video recorded following the passage of the federal First Step Act, a historic criminal justice reform enacted in 2018, Van said: “We started working together to get some other people free, but the reality is, those of us who worked on this, we got some freedom.”

That freedom, Van says, should enable us all “to see the country differently and do more good” — a goal that everyone should strive to reach.







The latest in Koch's ongoing series of historical panels is now available. It celebrates the decade that saw the expansion of Koch's newest and critically important virtuous cycle of mutual benefit — a technology-driven cycle that began with the development of data analytic products more than a decade ago.

**2013**  
Purchase of Molex for \$73 billion, the third-largest acquisition in Koch's history (after GP and Infor). Molex heralds the expansion of Koch's research and critically important virtuous cycle of mutual benefit, which is technology-driven.

**2015**  
Charles Koch's invest book becomes an instant New York Times bestseller.

**2017**  
Launch of Koch Disruptive Technologies, led by Chad Koch. Its first investment in genetic developer eSurgix paves the way for new therapies and other disrupts.

**2018**  
Building H opens on the Wichita campus. It features many innovative Koch products made by Guardian, RWVISTA, Molex, PPE and Georgia-Pacific. Even its landscaping benefits from advanced Koch Fertilizer products.

**2018**  
The author network Stand Together by Charles Koch changes its name to Stand Together.

**2018**  
Koch acknowledges the unprecedented rate of change by making a major update to its corporate vision. "To succeed in this new world, we must have a heightened sense of urgency and the commitment to continually transform our performance."

**2019**  
In keeping with its new vision, Koch commits more than \$26 billion to technology-related investments, including EFT and 360 in 2016, followed by Infor — Koch's second largest acquisition ever. Infor is one of the world's largest suppliers of enterprise resource planning software.

**2019**  
As part of its dramatic transformation (including a new name), Koch Engineered Solutions invests in robotic, electric and gear technology and high torque density motors.

**2019**  
David H. Koch, who retired as a KII executive vice president a year earlier, dies at age 72.

**2019**  
Opening of the Mark Arts campus in Wichita, named in honor of artist and longtime arts patron May B. Koch.

The new panel can be ordered in custom sizes for offices, conference rooms and hallways. Complete sets are also available.

Contact [joli@kochcreativegroup.com](mailto:joli@kochcreativegroup.com) for more information.

The digital version of *Discovery* has been updated, making it more convenient to read on your desktop and mobile devices.



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